

## Message Text

LIMITED OFFICIAL USE

PAGE 01 OTTAWA 02056 282013Z

67

ACTION EB-11

INFO OCT-01 EUR-25 IO-14 ISO-00 L-03 SS-20 NSC-07 AID-20

CEA-02 CIAE-00 COME-00 EA-11 FRB-02 INR-10 NEA-14

NSAE-00 RSC-01 OPIC-12 SP-03 TRSE-00 CIEP-02 LAB-06

SIL-01 SWF-02 OMB-01 STR-08 OIC-04 DRC-01 /181 W

----- 075439

P R 281931Z JUN 74

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC PRIORITY 3874

INFO USMISSION OECD PARIS

USMISSION GENEVA

USUN NEW YORK 702

LIMITED OFFICIAL USE OTTAWA 2056

E.O. 11652: N/A

TAGS: EFIN, CA

SUBJECT: DISCUSSION OF EMINENT PERSONS REPORT AT OECD  
INVESTMENT EXPERTS MEETING

REF: STATE 137390

1. USING INFORMATION CONTAINED PARAS 2 THROUGH 8  
OF REFTEL, EMBOFF DISCUSSED EMINENT PERSONS REPORT  
AND UPCOMING ECOSOC AND OECD MEETINGS WITH ACTION  
OFFICERS AT DEPARTMENTS OF INDUSTRY, TRADE AND  
COMMERCE (HALLIDAY) AND EXTERNAL AFFAIRS (MRS.  
CATLEY-CARLSON) ON JUNE 27.

2. IN GENERAL, CANADIANS AGREE WITH U.S. ASSESSMENT  
OF REPORT, I.E., LACK OF BALANCE, PORTRAYAL OF  
GOVERNMENTS AND MNC'S AS PROTAGONISTS, PLETHORA  
OF RECOMMENDATIONS ON NON-MNC ISSUES, AND SERIOUS  
LACK OF EFFORT TO DISTINGUISH BETWEEN FACTS,  
ASSUMPTIONS AND ANALYSIS. HOWEVER, WHILE MANY  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 OTTAWA 02056 282013Z

OF THE RECOMMENDATIONS OF THE REPORT ARE FOUND

"SILLY" (HALLIDAY) BY THE GOC, THEY DO NOT CAUSE ACTUAL PROBLEMS FOR CANADA AND, WHILE GOC SHARES U.S. VIEW ON REPORT'S BIAS, GOC DELEGATION IS NOT GOING TO LABOR THIS MATTER BECAUSE IN HALLIDAY'S VIEW SUCH A PITCH WOULD BE A "NON-STARTER." HALLIDAY FURTHER STATED THAT REPORT IS NOT TOO DIFFERENT FROM WHAT HE WOULD EXPECT TO EMANATE OUT OF OR UNDER UN AUSPICES.

3. BOTH HALLIDAY AND CATLEY-CARLSON EXPRESSED VIEW THAT ANY UN "MACHINERY" WITH REGARDS TO MNC'S SHOULD NOT BE UNIQUELY DIRECTED TOWARD LDC'S BUT WOULD NEED TO TAKE DEVELOPED COUNTRIES INTO AMPLE CONSIDERATION AS WELL. MRS. CATLEY-CARLSON SPECIFICALLY RECALLED MINISTER SHARP'S STATEMENT AT UNGA SPECIAL SESSION ON APRIL 11 THAT CANADA "FAVORS THE ESTABLISHMENT OF MACHINERY TO ENSURE THAT THE DECISIONS OF MULTI-NATIONAL BUSINESS CORPORATIONS ARE CONSISTENT WITH THE NATIONAL INTERESTS OF THE COUNTRIES WITHIN WHICH THEY OPERATE." SHE SAID THAT THIS "MACHINERY" COMMITMENT WOULD BE REPEATED BY THE CANADIAN DELEGATION AT THE ECOSOC MEETING.

4. IN COMMENTING ON U.S. POSITIONS ON RECOMMENDATIONS OF REPORT, IT WAS CLEAR FROM EMBOFF'S MEETINGS THAT FINAL GOC POSITIONS NOT YET CRYSTALLIZED. COMMENTS ON U.S. VIEWS AS CONTAINED IN SUBPARAS A-D OF PARA 8 OF REFTEL ARE AS FOLLOWS:

A. GOC WOULD AGREE WITH U.S. POSITION THAT MNC ISSUES SHOULD NOT BE INCLUDED AS ANNUAL ECOSOC AGENDA ITEM, BUT CANADA STRONGLY DOUBTS THAT SUCH POSITION IS "FEASIBLE" IN VIEW OF SENTIMENTS LIKELY TO BE ENCOUNTERED.

B. WITH REGARD TO STABLISHMENT OF UN COMMISSION ON MNC'S, GOC SHARES SAME DOUBTS WITH U.S. ON COMPOSITION OF SUCH GROUP, I.E., MEMBERS SERVING IN THEIR INDIVIDUAL CAPACITIES RATHER THAN REPRESENTING GOVERNMENTS. WHILE HALLIDAY SAID THAT HE PERSONALLY LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 OTTAWA 02056 282013Z

WOULD LOOK FAVORABLY ON U.S. BELIEF THAT COMMITTEE SHOULD BE ESTABLISHED TO STUDY MATTER AND REPORT BACK NEXT YEAR, EXTAFF OFFICER IS PUSHING VIEW THAT ESTABLISHMENT OF SUCH A COMMITTEE AND DEFERRAL FOR YEAR "WON'T WASH" IN ECOSOC AND THAT CANADIAN DELEGATION SHOULD PRESS HARD AND "DO BATTLE" NOW AT JULY MEETING TO ACHIEVE ACCEPTABLE TERMS OF REFERENCE FOR PERMANENT COMMISSION REPRESENTING GOVERNMENTS.

C. MRS. CATLEY-CARLSON EXPRESSED SOME SURPRISE OVER SEEMINGLY QUICK U.S. SUPPORT FOR ESTABLISHING AN INFORMATION AND RESEARCH CENTER ON MNC'S IN UN SECRETARIAT. SHE STATED THAT PERSONALLY SHE THOUGHT HERE WAS THE PLACE TO ESTABLISH A COMMITTEE TO STUDY THE MATTER AND TO REPORT BACK LATER ON HOW SUCH A CENTER MIGHT WORK, HOW IT WOULD BE STAFFED, WHERE THE INFORMATION ON MNC'S WAS TO COME FROM, AND WHO WAS GOING TO GIVE IT TO WHOM, ETC. IN OTHER WORDS, SHE WOULD ENVISAGE A COMMITTEE SIMILAR IN PURPOSE TO THE ONE BEING PROPOSED BY THE U.S. IN PARA 8(B) OF REFTEL.

D. CANADIANS AGREE ON DESIRABILITY OF AVOIDING ECOSOC RESOLUTION EMBODYING REPORT'S RECOMMENDATIONS, BUT ARE VERY SKEPTICAL ON SUCCESS IN HEADING IT OFF.

5. CANADIANS ALSO DESIROUS OF OBTAINING RESULTS OF JULY 8 AND 9 OECD INVESTMENT EXPERTS DISCUSSION OF REPORT PRIOR TO ECOSOC DISCUSSION. HOWEVER, EMBOFF RECEIVED IMPRESSION THAT CANADIANS DO NOT THINK OECD DISCUSSION WILL TAKE MUCH TIME TO DIGEST AND FURTHERMORE, BY CANADIAN ASSESSMENT OF ECOSOC SCHEDULING AND TIME SLIPPAGES, IT IS UNLIKELY THAT PERTIENT AGENDA ITEM WILL COME UP BEFORE MID-JULY. PORTER

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MEETING AGENDA, INVESTMENTS, CONSULTANTS, MEETINGS, MEETING REPORTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 28 JUN 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** garlanwa  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974OTTAWA02056  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740172-0378  
**From:** OTTAWA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t1974064/aaaaacwl.tel  
**Line Count:** 142  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** STATE 137390  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** garlanwa  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 16 APR 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <16 APR 2002 by izenbei0>; APPROVED <06-Aug-2002 by garlanwa>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** DISCUSSION OF EMINENT PERSONS REPORT AT OECD INVESTMENT EXPERTS MEETING  
**TAGS:** EFIN, CA  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005